

Nonterm Example 1: Clock-hour program *NEW*

A student enrolls in a clock-hour program with an academic year (AY) of 900 clock hours and 26 weeks of instructional time. The program is 900 clock hours and 24 weeks of instructional time in length and consists of 6 successive graded courses. Each course has 150 clock hours and is completed over 4 weeks of instructional time. Our student successfully completes all 6 courses except the second course that the student immediately repeats and passes.

In this case the scheduled payment periods are identical for the student's Pell Grant and Stafford loan and are ½ of the length of the program in clock hours and weeks of instructional time: 450 clock hours and 12 weeks of instructional time. However, the first payment period is extended since the first 450 clock hours attended were not successfully completed. The student does not complete the first payment period until after attending for 600 clock hours and 15 weeks of instructional time due to the need to successfully complete the 450 clock hours in the payment period. As a result, the second disbursement date must be rescheduled, and the school will need to report the rescheduled disbursement date for the second disbursement to COD for Pell and Direct Loans or, if appropriate, the FFEL lender.

Payment periods

450 clock hours AND 12 weeks of instruction			3 weeks of instruction & 150 hours earned. Complete 1 st payment period.
150 hours earned.	150 hours failed. No hours earned. Payment period extended.	150 hours earned by passing repeat of 2 nd course.	

First disbursement

450 clock hours AND 12 weeks of instruction		
150 hours earned.	150 hours earned.	150 hours earned. Program completed.

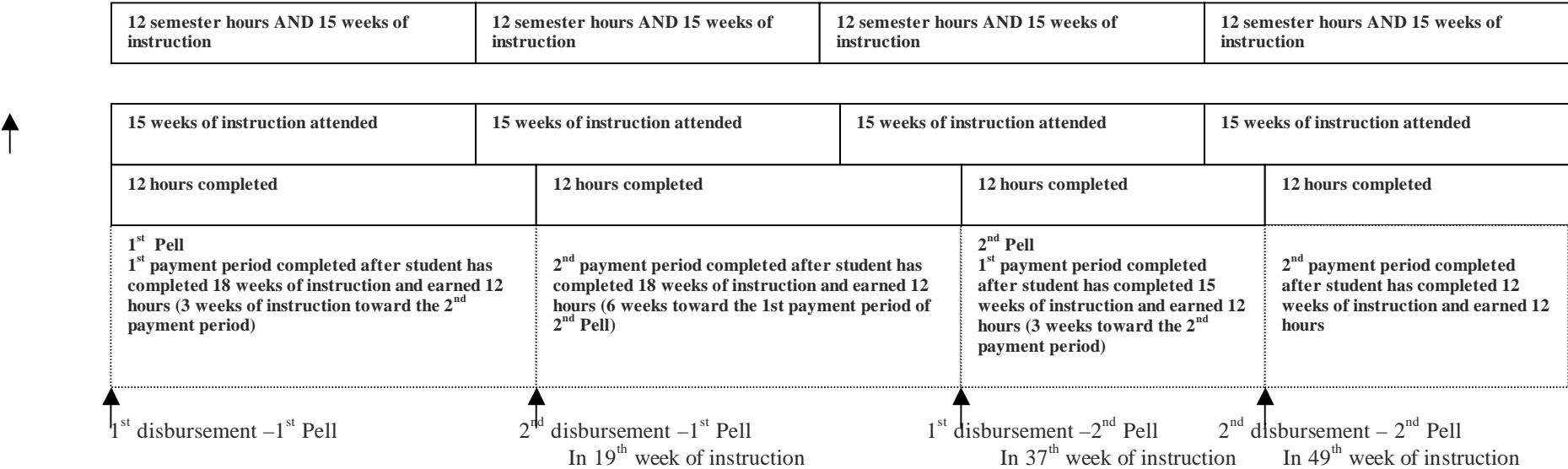
Second disbursement

Nonterm Example 2: Work completed fast in 2nd year *NEW*

Another program with an academic year of 24 semester hours and 30 weeks of instructional time has 48 semester hours and 60 weeks of instructional time. Students in the program are expected to complete the first 24 hours over 36 weeks of instructional time, and the final 24 semester hours in 24 weeks of instructional time. The student completes each of hours 1-12 and 13-24 in 18 weeks of instructional time and each of hours of 25-36 and 37-48 in 12 weeks of instructional time.

For the grant and Perkins Loan programs, by definition, all four payment periods are 1/2 of the defined academic year: 12 hours and 15 weeks of instructional time.

Pell Grant: Payment periods



For Stafford/PLUS, the first loan must be certified for 36 weeks of instructional time to ensure the loan period covers both measures of the FSA academic year. The first loan period will have two payment periods of 12 hours and 18 weeks.

The second loan period, for the balance of the program, will have the same number of semester hours (24), but will be certified for fewer weeks of instructional time (24). Thus, the second loan period is divided into two payment periods of 12 hours and 12 weeks of instructional time. There is no proration of the annual loan limits since the remaining balance of the semester hours equals the semester hours of the academic year.

Stafford: Payment periods

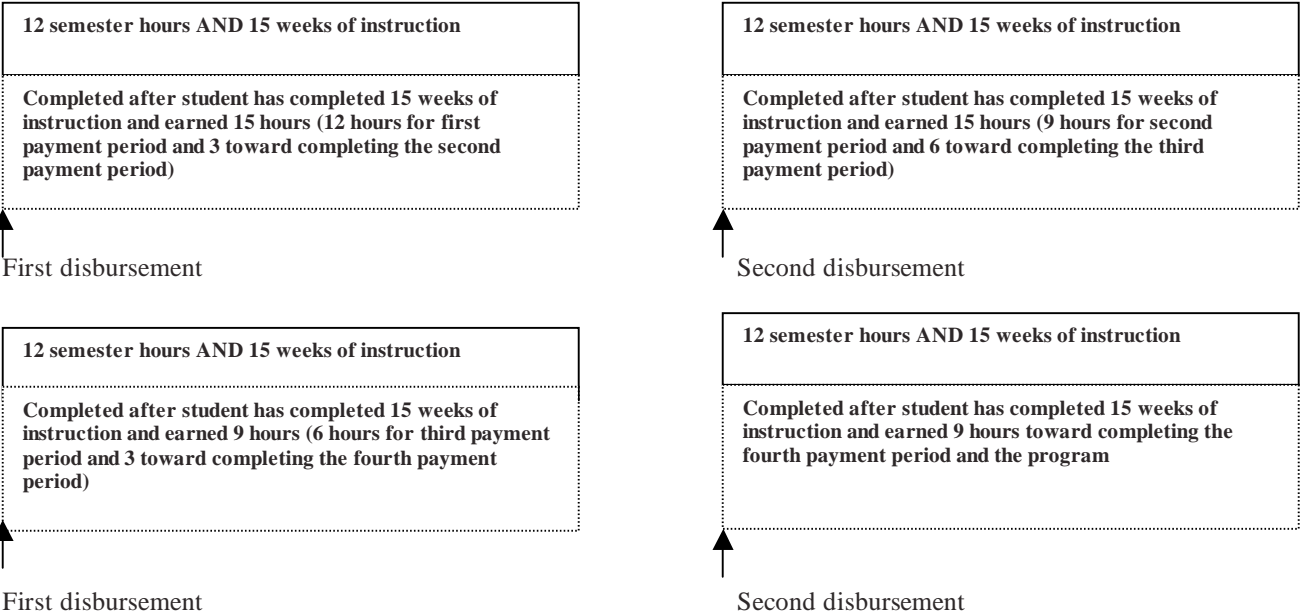
12 semester hours AND 18 weeks of instruction	12 semester hours AND 18 weeks of instruction	12 semester hours AND 12 weeks of instruction	12 semester hours AND 12 weeks of instruction
18 weeks of instruction attended	18 weeks of instruction attended	12 weeks of instruction attended	12 weeks of instruction attended
12 hours completed	12 hours completed	12 hours completed	12 hours completed
1 st loan 1 st payment period completed after student has completed 18 weeks of instruction and earned 12 hours	2 nd payment period completed after student has completed 18 weeks of instruction and earned 12 hours	2 nd loan 1 st payment period completed after student has completed 12 weeks of instruction and earned 12 hours	2 nd payment period completed after student has completed 12 weeks of instruction and earned 12 hours
1 st disbursement – 1 st loan	2 nd disbursement – 1 st loan In 19 th week of instruction	1 st disbursement – 2 nd loan In 37 th week of instruction	2 nd disbursement – 2 nd loan In 49 th week of instruction

Nonterm Example 3: More hours earned in the first academic year *NEW*

A nonterm, two-year program of 48 semester hours and 60 weeks of instructional time has an academic year of 24 semester hours and 30 weeks of instructional time. Students are expected to complete the first 30 semester hours over 30 weeks of instructional time in the first period of enrollment. They are then expected to complete 18 semester hours in the last 30 weeks instructional, 9 hours in each half of 15 weeks of instructional time.

For the grant and Perkins Loan programs, the payment periods are half of the weeks and half the hours of the FSA academic year: 12 hours and 15 weeks each.

Pell Grant: Payment periods



For Stafford/PLUS, you will certify a loan for the first academic year using start and end dates reflecting the first 30 weeks of instructional time since a student would complete the hours of an academic year within that time. Note that where 6 semester hours in the first period of enrollment would be considered part of the third payment period for grants/Perkins, for Stafford/PLUS, they would be considered as part of the initial BBAY loan period. Thus, for Stafford/PLUS, the second loan period is the remaining balance of the program: 18 hours and 30 weeks of instructional time.

For the first loan period, the payment periods are 15 hours and 15 weeks of instructional time, i.e., half of the weeks of instructional time and half of the hours the student is expected to complete in the loan period. For the second loan period, the remaining balance of the program is less than an academic year in length based on the hours; however, both hours and weeks of instructional time are greater than ½ of the academic year. Therefore, there are two equal payment periods of 9 hours and 15 weeks of instructional time. Note that the annual loan limits must be prorated for this second period of enrollment by 18/24 based on the semester hours in the loan period and the hours in the defined academic year.

Stafford: Payment periods

15 semester hours AND 15 weeks of instruction
Completed after student has completed 15 weeks of instruction and earned 15 hours

First disbursement

15 semester hours AND 15 weeks of instruction
Completed after student has completed 15 weeks of instruction and earned 15 hours

Second disbursement

9 semester hours AND 15 weeks of instruction
Completed after student has completed 15 weeks of instruction and earned 9 hours

First disbursement

9 semester hours AND 15 weeks of instruction
Completed after student has completed 15 weeks of instruction and earned 9 hours

Second disbursement